

AMENDED IN ASSEMBLY JUNE 21, 2011

AMENDED IN SENATE MAY 4, 2011

SENATE BILL

No. 707

Introduced by Senators Cannella and Wolk

February 18, 2011

An act to amend Sections 6981, 6985, and 6988 of the Food and Agricultural Code, relating to agricultural ~~special assessments~~ *development*, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 707, as amended, Cannella. Agricultural ~~special assessments~~ *development*.

Existing law imposes an annual assessment of 1% on the gross sales of all deciduous pome and stone fruit trees, nut trees, and grapevines, including seeds, seedlings, rootstocks, and topstock, including ornamental varieties of apple, apricot, crabapple, cherry, nectarine, peach, pear, and plum, produced and sold within the state or produced within and shipped from the state by any licensed nursery dealer, and provides that for packaged or containerized stock, the assessment shall be levied on the producer's bareroot price of the plants, and specifies the purposes for which the assessment may be used. Existing law provides that the assessment shall be paid into the State Treasury and shall be credited to the Department of Food and Agriculture Fund, a continuously appropriated fund *for these purposes*.

This bill would include olive trees within the plants that are subject to the assessment.

By depositing additional money into a continuously appropriated fund, this bill would make an appropriation.

Existing law authorizes the Department of Food and Agriculture to enter into agreements with the University of California, any commissioner, and any qualified research agency, to assist in development of planting material for pome and stone fruit, nut tree, and grapevine production. Existing law requires the agreements to provide for payment for services rendered from fees collected pursuant to the provisions described above.

This bill would additionally authorize the department to enter into agreements to assist in the development of planting material for olive tree production. Because the bill would expand the scope of the services for which payment may be made for services rendered from the fees described above, the bill would deposit additional moneys into, and would expand the scope of the authorization to spend moneys from, a continuously appropriated fund, thereby making an appropriation.

Existing law authorizes the Secretary of the Department of Food and Agriculture, upon consultation with the pome and stone fruit tree, nut tree, and grapevine nursery industry, to appoint a board to assist and advise him or her concerning the implementation of the assessment and other related provisions of law. Existing law requires board members to represent all areas of the state involved in the production of pome and stone fruit trees, nut trees, and grapevines.

This bill would extend membership on the board to include representatives of licensed olive nursery stock producers, as specified, and require the secretary to additionally consult with the olive industry in appointing the board. The bill would include olive trees among those items of production that are required to be represented by board members.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 6981 of the Food and Agricultural Code
- 2 is amended to read:
- 3 6981. (a) An annual assessment of 1 percent shall be levied
- 4 on the gross sales of all deciduous pome and stone fruit trees, nut
- 5 trees, olive trees, and grapevines, including seeds, seedlings,
- 6 rootstocks, and topstock, including ornamental varieties of apple,
- 7 apricot, crabapple, cherry, nectarine, olive, peach, pear, and plum,
- 8 produced and sold within the state or produced within and shipped

1 from the state by any licensed nursery dealer. For packaged or
2 containerized stock, the assessment shall be levied on the
3 producer's bareroot price of the plants.

4 (b) The secretary, as appropriate, and on the recommendation
5 of the board established pursuant to Section 6988, may exempt
6 from the assessment certain species of pome and stone fruit, nut
7 trees, olive trees, grapevines, or ornamental varieties of apple,
8 apricot, crabapple, cherry, nectarine, olive, peach, pear, and plum
9 if it can be demonstrated that no benefit is derived by these species
10 from programs described in subdivision (d).

11 (c) The assessment shall be applied at the point of sale where
12 the nursery stock is sold by a producer to persons other than
13 California producers of nursery stock that is subject to assessment
14 under subdivision (a).

15 (d) The secretary may set the assessment at a lower percent to
16 cover the costs necessary to implement and carry out all department
17 programs established pursuant to Article 7 (commencing with
18 Section 5821) of Chapter 8 of Part 1 concerning the registration
19 and certification of pome and stone fruit trees, nut trees, olive trees,
20 and grapevines; the University of California foundation plant
21 materials service activities concerning pome and stone fruit trees,
22 nut trees, olive trees, and grapevines; and other activities related
23 to the development of planting materials for pome and stone fruit
24 trees, nut trees, olive trees, and grapevines.

25 *SEC. 2. Section 6985 of the Food and Agricultural Code is*
26 *amended to read:*

27 6985. The department may enter into agreements with the
28 University of California, any commissioner, and any qualified
29 research agency to assist in *the* development of planting material
30 for pome and stone fruit, nut tree, *olive tree*, and grapevine
31 production. The agreements shall provide for payment for services
32 rendered from fees collected pursuant to this article.

33 ~~SEC. 2.~~

34 *SEC. 3. Section 6988 of the Food and Agricultural Code is*
35 *amended to read:*

36 6988. The secretary, upon consultation with the pome and stone
37 fruit tree, nut tree, *olive tree*, and grapevine nursery industry, shall
38 appoint a board to assist and advise him or her concerning the
39 implementation of this article.

1 (a) Membership on the board shall consist of 11 representatives,
2 a majority of whom are licensed producers of pome, stone, nut,
3 olive, and grape nursery stock, but also users and a public member
4 as follows:

5 (1) Two each from the stone fruit (including almonds) and nut
6 (other than almond) industries.

7 (2) Four from the grape industry.

8 (3) One each from the pome fruit and olive industries.

9 (4) One public representative.

10 (b) Board members shall represent all areas of the state involved
11 in the production of pome and stone fruit trees, nut trees, *olive*
12 *trees*, and grapevines.

13 (c) The members of the board shall serve for fixed terms of up
14 to two years. The secretary, upon nomination by the industry, may
15 appoint a member for three consecutive terms. The secretary shall
16 reappoint no more than eight of the then-current members of the
17 board within a two-year period.

18 (d) The board shall meet at least twice a year. The chair or the
19 secretary may call any other meeting when it is deemed necessary
20 by one or both of them. Each member shall be allowed per diem
21 and mileage in accordance with Department of Personnel
22 Administration rules for attending any meeting of the board.

23 (e) The board shall review and make recommendations to the
24 secretary concerning the ongoing operations of the department and
25 the University of California pertaining to this article. This shall
26 include advice on fiscal expenditure, assessments needed to cover
27 costs, and proposals concerning the development of planting
28 materials.